## Amendments to the Drawings:

The attached replacement drawing sheets makes changes to Figs. 3B and 5 and replace the original sheets with Figs. 3B and 5.

Attachment: Replacement Sheets

## <u>REMARKS</u>

Claims 1-4 and 7 are pending in this application. By this Amendment, claim 1 is amended, claims 5 and 6 are canceled without prejudice to or disclaimer of the subject matter recited therein, and claim 7 is added. Applicants reserve the right to file one or more divisional applications to pursue the subject matter of claims 5 and 6. The title and Figs. 3B and 5 also are amended. No new matter is added. Reconsideration of the application is respectfully requested.

The Office Action objects to Figs. 3B and 5. Figs. 3B and 5 are amended to obviate the objection. Withdrawal of the objection is respectfully requested.

The title is amended to more accurately reflect the subject matter of the elected claims.

The Office Action rejects claims 1, 2 and 4 under 35 U.S.C. §103(a) over JP 2002-056514 (JP '514) in view of Applicants' discussion of the prior art in the specification (Applicants' discussion). This rejection is respectfully traversed.

However, neither JP'514 nor Applicants' discussion of the background art teaches or suggests that a single exposure position correction region is established for one magneto-resistance effect element bar region, as recited in claim 1. The Office Action asserts that Applicants' discussion teaches alignment marks to correct the exposure position for each exposure region. However, Applicants' discussion specifically teaches that two exposure position correction regions R10, R20 are established for one bar region B. In addition, the magneto-resistance effect element bar is so long that one small exposure region provided by the stepper usually cannot cover the whole magneto-resistance effect element bar. Therefore, when using a stepper, one magneto-resistance effect element bar is exposed a plurality of times, as described in the specification. Thus, in the art described in Applicants' background

section, a single exposure position correction region cannot be established for one magnetoresistance effect element bar region as recited in claim 1.

At least for these reasons, Applicants respectfully submit that claim 1 is patentable over the applied references. Claims 2 and 4 are allowable for their dependence on claim 1, as well as for the additional features they recite. Therefore, withdrawal of the rejection is respectfully requested.

The Office Action rejects claims 1-4 under 35 U.S.C. §103(a) over JP '514 in view of Applicants' discussion, further in view of U.S. Patent Application Publication No. 2002/0013996 to Okada et al. (Okada). Applicants respectfully understand that this rejection is directed to claim 3 because claims 1, 2 and 4 are rejected over JP '514 and Applicants' discussion, as discussed above.

In any event, Okada does not overcome the deficiencies of JP '514 or Applicants' background discussion. Therefore, claim 3 is allowable for its dependence on claim 1, as well as for the additional features it recites.

Moreover, the Office Action asserts that it would have been obvious to one skilled in the art to combine Okada with JP '514 and Applicants' discussion "because it is taught that an electron beam is an art-recognized equivalent to light from forming resist patterns when making think film magnetic heads." However, this is not a proper motivation for combination under 35 U.S.C. §103(a). The Office Action fails to identify any motivation to modify JP'514 with Okada.

New claim 7 recites that a distance between neighboring magneto-resistance effect elements in a thickness direction of the magneto-resistance effect element bar and in a direction perpendicular to the longitudinal direction is equal to or less than 0.05 µm. This feature is described in the specification at, for example, page 14, lines 19-25.

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Claim 7 is allowable for its dependence on claim 1, as well as for the additional features it recites. JP '514 teaches at paragraph [0036], for example, that the alignment error is about  $\pm 0.15~\mu m$ , which is about three times as large as the claim 7 amount.

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance of the application are earnestly solicited.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

Respectfully submitted,

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